

Exhibit B

7963

STATE OF SOUTH CAROLINA)	
)	
)	AFFILIATION AGREEMENT FOR
COUNTY OF RICHLAND)	MEDICAL EDUCATION, RESEARCH
)	AND OTHER RELATED ACTIVITIES

THIS AGREEMENT is made and entered into to be effective January 1, 2009, by and between Palmetto Health (hereinafter referred to as "Palmetto Health") and the University of South Carolina, a public higher education institution of the State of South Carolina (hereinafter referred to as the "University").

WITNESSETH:

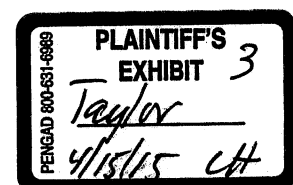
WHEREAS, Palmetto Health and the University each recognize that Palmetto Health benefits from an affiliation with the University through the enrichment of its medical education, research, and other related programs and the care of certain of its patients; and

WHEREAS, the University and Palmetto Health each recognize that the University and its School of Medicine benefit from an affiliation with Palmetto Health by having available for their faculty and medical students opportunities for clinical education, research, patient care, and other related activities afforded by Palmetto Health, its medical education programs, and facilities;

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which are acknowledged, Palmetto Health and the University agree as follows:

1. DEFINITIONS

- 1.1 Palmetto Health – The union of Richland Memorial Hospital and Baptist Health Care System of South Carolina, jointly known as "Palmetto Health".
- 1.2 Palmetto Health Professional and Administrative Directors – Individuals appointed by Palmetto Health to direct the activities of a professional department (such as Radiology, Laboratory, Emergency Medicine, etc.) of Palmetto Health or direct an administrative or financial department of Palmetto Health.
- 1.3 Chief Academic Officer (CAO) – The person who serves as the overall Director of Palmetto Health's graduate medical education and research programs.
- 1.4 Dean – The person appointed by the President of the University to administer the School of Medicine.



- 1.5 DC/DE – The person who serves concurrently as the Department Chairman and Director of Education for a University School of Medicine department and the corresponding Palmetto Health graduate medical education program.
- 1.6 Department Chairman (DC) – The person who serves as the Chairman of a department within the University School of Medicine.
- 1.7 Director of Education (DE) – The person who serves as the Director of a Palmetto Health graduate medical education program.
- 1.8 Faculty – Person(s), to include, but not limited to, full-time faculty and private physicians with a University academic appointment, who participate in the education and training of medical students and/or residents.
- 1.9 Full-time Faculty – Person(s) with a University academic appointment who participate in the University Clinical Faculty Practice Plan (“Plan”) and who are paid a base salary, in whole or in part, by the University or one of its affiliated institutions for participating in the education and training of medical students and/or residents.
- 1.10 Graduate Medical Education – The phase of medical education that prepares physicians for practice in a medical specialty or subspecialty by focusing on the development of clinical skills and professional competencies and on the acquisition of detailed factual knowledge.
- 1.11 Medical Education Program – Meetings, seminars, and other activities (including both clinical and classroom instruction) at Palmetto Health which make educational and training experiences available to trainees at the undergraduate, graduate, and continuing education levels.
- 1.12 Medical Student – Person(s) enrolled in the University’s School of Medicine seeking a medical doctor degree.
- 1.13 Private Physician – A community or Palmetto Health-based physician who is not a full-time faculty member as defined above, who may or may not have a faculty appointment, and who may or may not receive a part-time stipend.
- 1.14 Resident – A licensed physician of Palmetto Health enrolled in a graduate medical education program to receive residency training in a medical specialty or fellowship training in a medical subspecialty.
- 1.15 Vice President for Medical Affairs – The person appointed by the President of the University to coordinate the medical affairs for the University.

2. JOINT PLANNING

- 2.1 The University and Palmetto Health agree that it is in their mutual best interest to participate in ongoing joint planning regarding matters of mutual concern.

To that end, the University's School of Medicine and Palmetto Health, working together in good faith, will address matters such as: identification of the facilities and equipment needs of the parties not currently available and a plan whereby these resources can be sought; projections for new programs and facilities development; and identification of efforts needed to enhance funding of patient care, medical education, research, and other related programs at Palmetto Health by local, state, federal, and other potential funding sources. The items referenced above are identified for joint planning purposes only and may be modified as circumstances warrant.

- 2.2 Nothing contained in this paragraph shall be construed as obligating the University or Palmetto Health to pay any amount or assume any debt or funding except as expressly provided in this Agreement.
- 2.3 The University endorses Palmetto Health's mission and vision statements and its commitment to maintain and develop its medical education and research programs.
- 2.4 Palmetto Health endorses the University School of Medicine's mission and goals as set forth in its Strategic Plan, to continue as a community-based School of Medicine and Palmetto Health shall actively cooperate with the University School of Medicine to encourage private physicians to be actively involved in the medical education programs.

3. MEDICAL STUDENT EDUCATION AND GRADUATE MEDICAL EDUCATION PROGRAMS

- 3.1 Palmetto Health shall accept University medical students for clinical experience at Palmetto Health in such specialties and in such numbers as may be agreed upon by the parties, as is required for program accreditation. Principal responsibility for education of medical students rests with the University and its full-time faculty.
- 3.2 Palmetto Health will work with the School of Medicine to assure that adequate space and resources such as call rooms, conference rooms, library resources, clinical learning opportunities, etc. are available for all educational requirements of medical students. Palmetto Health and the School of Medicine will share the responsibility for ensuring an appropriate learning environment and that clinical instruction occurs in an atmosphere of mutual respect and collegiality between faculty, residents, medical students and staff. The School of Medicine shall have ultimate authority for all academic affairs as they relate to medical student

education and the appointment and assignment of faculty responsible for medical student teaching. School of Medicine Department Chairs shall have the authority to assure faculty and student reasonable access to appropriate resources for medical student education.

- 3.3 Graduate medical education programs at Palmetto Health shall be under the primary sponsorship of Palmetto Health. The contribution of the University to these programs shall be recognized in the names of the programs.
- 3.4 Palmetto Health shall be ultimately responsible, after consultation with the University, for the program design of its graduate medical education programs and the establishment of policies and procedures relative thereto, as well as for the accreditation of those programs.
- 3.5 The parties agree that one person will be selected to concurrently serve as the Department Chairman of a University School of Medicine department (Department Chairman) and the Director of Education for the corresponding Palmetto Health graduate medical education program (Director of Education), hereinafter referred to as the DC/DE. This dual appointment is applicable to the following medical school departments and Palmetto Health graduate medical education programs: Family Medicine, Internal Medicine, Obstetrics and Gynecology, Orthopedics, Ophthalmology, General Surgery, Pediatrics, Psychiatry, and other joint graduate medical education programs. The DC/DE will be selected, retained and evaluated in accordance with the procedures set forth in Attachment A, "Roles, Responsibilities, and Accountability of the Department Chair (DC)/Director of Education (DE)," which is attached hereto, incorporated into, and made a part of this Agreement.

4. PALMETTO HEALTH MEDICAL AND DENTAL STAFF APPOINTMENTS

Full-time faculty members will be recommended to Palmetto Health by the Dean of the University's School of Medicine for appointment to a Palmetto Health Hospital's Medical and Dental Staff; however, such membership is subject to the express approval and authorization of Palmetto Health's Board of Directors, in accordance with the applicable Palmetto Health Hospital's Medical and Dental Staff Bylaws and other policies, procedures, rules, regulations, and resolutions adopted by Palmetto Health's Board of Directors, from time to time.

5. MANAGEMENT PRINCIPLES

- 5.1 This Affiliation Agreement shall not compromise the governance, control or operation of Palmetto Health or of the University by their respective governing bodies and chief executive officers.
- 5.2 Professional and administrative directors of Palmetto Health departments and clinics shall be appointed by and be responsible to Palmetto Health. Palmetto

Health professional directors and their associates shall be encouraged by Palmetto Health to participate in medical education, research, and other related programs to the extent such actions will not interfere with their primary responsibilities to Palmetto Health and its patients.

- 5.3 There shall be at least an annual meeting of representatives of the senior management of Palmetto Health and the University to monitor implementation of, compliance with, and enforcement of this Agreement, and to discuss matters of concern which may arise under this Agreement and/or to discuss other matters of mutual interest regarding medical education, research, and other related programs.
- 5.4 The University shall provide for representation of Palmetto Health by at least one (1) person selected by Palmetto Health to serve on the Executive Committee of the University School of Medicine and Palmetto Health shall provide for representation of the University School of Medicine by at least one (1) person selected by the University to serve on the Medical Executive Committee of the Palmetto Health Richland Medical and Dental Staff.

6. FINANCIAL PRINCIPLES

- 6.1 Unless otherwise agreed in writing by the CAO and the Dean, Palmetto Health shall assume its direct costs of salaries, fringe benefits, and space requirements for its residents located at Palmetto Health and shall also assume the salaries and fringe benefits of certain mutually agreed upon support personnel needed to administer the graduate medical education programs; provided, however, as set forth in Attachment A, the University and Palmetto Health have agreed to share certain costs associated with one person serving as the DC/DE of a medical school department and the corresponding Palmetto Health graduate medical education program. Palmetto Health shall assume financial responsibility only for those residents, with whom it has contracted, except as may be separately agreed on a case-by-case basis between Palmetto Health, the University, or other institutions.
- 6.2 The University shall continue to assume its direct costs, including salaries and fringe benefits, of faculty and support personnel and the cost of their space, supplies, and related services associated with their medical education programs at Palmetto Health; provided, however, as set forth in Attachment A the University and Palmetto Health have agreed to share certain costs associated with one person serving as the DC/DE of a medical school department and the corresponding Palmetto Health graduate medical education program.
- 6.3 The Commission on Higher Education ("CHE"), the Federal Government, the University and Palmetto Health recognize that there are costs to Palmetto Health in serving as a major site for the University's medical education and research programs. The amount of Seven Hundred Seventy Thousand Four Hundred Eighty (\$770,480.00) Dollars as reimbursement for the indirect costs of its

medical education program at Palmetto Health has been approved by Palmetto Health and University for the year beginning July 1, 2008. Palmetto Health and the University agree that Palmetto Health will receive and accept as full reimbursement for indirect costs, the amounts recommended by CHE and appropriated by the South Carolina Legislature for fiscal year 2008-2009 and subsequent years of this Agreement. Both Palmetto Health and the University shall have input as to the amount to be requested by University through CHE for indirect cost reimbursement for 2009-2010; provided, however, that the University agrees to seek, in good faith, CHE approval for amounts that will be no less than the net amount requested by University through CHE for 2008-2009 (i.e., \$770,480.00), plus an increment equal to the percentage increase requested by CHE for the overall High Education formula in subsequent years as applicable.

- 6.4 The University further agrees that all monies appropriated by the S.C. Legislature to fund Palmetto Health's indirect costs and included in the University's budget will be remitted, on a pro rata monthly basis, in approximately equal shares, or as otherwise agree in writing by the parties.
- 6.5 Recognizing the contributions made to medical education by the State of South Carolina through its Area Health Education Consortium, Palmetto Health and the University agree to consult and cooperate together and with appropriate state and community agencies to obtain the necessary monies to fund and the necessary resources to continue graduate medical education programs at Palmetto Health.
- 6.6 Palmetto Health and the University's School of Medicine will actively collaborate to ensure that Palmetto Health's graduate medical education programs operate in an effective manner and in compliance with regulatory and accreditation standards. Palmetto Health and the School of Medicine will share the responsibility for ensuring an appropriate learning environment and that residency education occurs in an atmosphere of mutual respect and collegiality between faculty, residents, medical students and staff. Palmetto Health shall make payment to the School of Medicine for teaching and supervision provided to Palmetto Health's graduate medical education programs according to separate agreements entered into by the parties. Such separate agreements shall specify the compensation paid to the School of Medicine to supply all necessary faculty to meet the requirements for the faculty to resident ratio for each specialty, as well as medical resident time spent in School of Medicine private practices.

7. PUBLIC RELATIONS AND PUBLICATIONS

Palmetto Health and the University each agree to recognize the other as equal partners in their public relations activities and publications concerning joint medical education, research, and other related programs.

8. **CONTINUING MEDICAL EDUCATION**

Palmetto Health and the University each agree to jointly organize and fund a single organization to be known as the University of South Carolina School of Medicine-Palmetto Health Richland Continuing Medical Education Organization (hereinafter referred to as USCSOM-PHR CME ORG). The USCSOM-PHR CME ORG will have full responsibility for the conduct of high quality CME programs on behalf of the University of South Carolina School of Medicine and Palmetto Health Richland. The USCSOM-PHR CME ORG is also responsible for ensuring its full accreditation by the Accreditation Council for Continuing Medical Education (ACCME).

The USCSOM-PHR CME ORG shall be directed by a Steering Committee (CMESC) comprised of no more than thirty, and no less than twelve, members to be appointed by mutual agreement of the Dean and the CAO.

The Dean and CAO shall serve as co-chairs of the CMESC. They shall comprise the CMESC Executive Committee, which shall be empowered to act in the name of the CMESC between CMESC meetings and in accordance with established policies.

The USCOM-PHR CME ORG shall be administered by the Assistant Dean for CME and Faculty Development, who shall be appointed by mutual agreement of the Dean and CAO with advice and consultation from the CMESC and who shall serve as an Ex-Officio member of the CMESC Executive Committee.

9. **RESEARCH PROGRAMS**

Palmetto Health and the University will collectively work together to support research programs to foster biomedical research and provide infrastructure resources for the development of health-related research according to separate agreements entered into by the parties.

10. **DEVELOPMENT ACTIVITIES**

Palmetto Health and the University each agree to actively collaborate together on development activities pertinent to joint medical education, research, and other related programs. Revenues generated from such activities will be deposited in the University's Educational Foundation and the foundations supporting Palmetto Health according to a formula mutually agreed upon by both the Palmetto Health and the University at the start of the development activity.

11. **BILLING COMPLIANCE**

The University School of Medicine and Palmetto Health have a commitment to ensure that its affairs are conducted in accordance with applicable law. The University School of Medicine – Palmetto Health Billing Compliance Plan has the following key features:

- A jointly hired and supervised individual, who will oversee the billing compliance plan and direct its efforts;
- Incorporation of standards and policies that guide University and Palmetto Health personnel with regard to professional fee billing;
- Coordinated training of clinical staff and billing personnel concerning applicable billing requirements and University and Palmetto Health policies;
- A uniform mechanism for faculty and other employees to raise questions and receive appropriate guidelines concerning professional fee billing;
- Regular chart and billing reviews by Palmetto Health and University personnel and external consultants to assess compliance and to identify potential issues;
- A process for individuals to report instances of possible non-compliance and for such reports to be fully and independently reviewed; and
- Corrective action plans to address any instances of non-compliance with University and Palmetto Health policies or billing requirements.

12. TEACHING CLINIC FACILITIES

Palmetto Health and the University will actively collaborate to ensure the effective and efficient operation of Palmetto Health's Teaching Clinic Facilities according to the specific agreements outlined in a separate memorandum of understanding.

13. MISCELLANEOUS

- 13.1 Medical Student Safety: Should a medical student be exposed to an infectious, environment or other occupational hazard, during the course of his/her clinical experience at Palmetto Health, the responsibility for initial evaluation and treatment will be shared by the University (during regular office hours) and Palmetto Health (after regular office hours) as set forth in the School of Medicine Handbook. The parties acknowledge that subsequent treatment and follow-up shall be the sole responsibility of the University.
- 13.2 Insurance: Palmetto Health and the University shall secure and maintain insurance with respect to their respective staff, students and employees who will work at Palmetto Health during the term of this Agreement, including, but not limited to, Workers' Compensation and General and Professional Liability insurance providing minimum limits of liability as follows:

Workers' Compensation Requirements	Statutory
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General and Professional Liability	Minimum limits equal to maximum statutory liability of Palmetto Health and the University
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- 13.3 Disclaimer of Employment of Employees. Except as may be agreed in the case of dual appointments, no person employed by Palmetto Health shall be considered an employee of the University, and the University shall have no liability for payment of their wages, payroll taxes and other expenses of employment; and no person employed by the University shall be considered an employee of Palmetto Health; and Palmetto Health shall have no liability for payment of wages, payroll taxes, and other expenses of employment.
- 13.4 Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given, if mailed by certified or registered mail, postage prepaid:
- | | |
|------------------------|--|
| If to Palmetto Health: | President and Chief Executive Officer
Palmetto Health
Columbia, S.C. 29203 |
| | with a copy to: CAO |
| If to the University: | President
University of South Carolina
Columbia, S.C. 29208 |
| | with a copy to: Dean
University of South Carolina School of Medicine |
- 13.5 Authorization for Agreement. The execution and performance of this Agreement by Palmetto Health and the University have been duly authorized by their respective governing bodies.
- 13.6 Sole Agreement. This Agreement, including Attachment A, constitutes the entire Affiliation Agreement for Medical Education, Research, and Other Related Activities between the University and Palmetto Health. No modification, amendment or supplement to this Agreement shall be effective unless reduced to writing and signed by both parties.
- 13.7 Governing Law. This Agreement shall be construed under laws of the State of South Carolina.
- 13.8 Dispute Resolution. Any disputes that arise as a result of matters in this agreement shall be resolved at the lowest organizational level possible. Disputes that cannot be resolved below the level of the CAO of Palmetto Health and Dean of the University School of Medicine will be brought to these persons for

resolution. If still unresolved, the issue will be forwarded to the Chief Executive Officer of Palmetto Health and the President of the University.

14. TERM

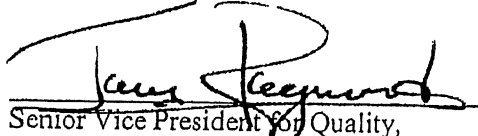
The term of this Agreement shall be for a period of two (2) years beginning January 1, 2009, and ending December 31, 2010. The parties anticipate that this Agreement will be extended beyond the anticipated expiration date. To this end, on or before July 1, 2010, the parties will agree to modify, extend or allow this Agreement to expire.

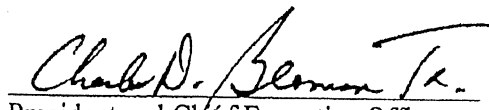
15. TERMINATION

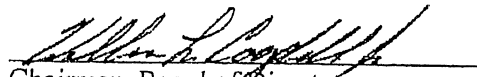
In the event either party shall breach the terms and conditions contained in this Agreement, and if such breach shall continue for a period of thirty (30) days after the breaching party shall have been served with written notice of such breach by certified or registered mail from the non-breaching party, then in such event, the non-breaching party shall have, in addition to and not in lieu of all of the rights to which it may be entitled to hereunder and/or by law, the right to terminate this Agreement; provided, however, at least twelve (12) months written notice must be given prior to the effective date of termination and termination can only occur on June 30 of any year.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement to be effective as of the date first written above.

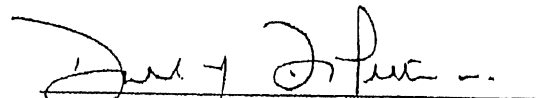
PALMETTO HEALTH

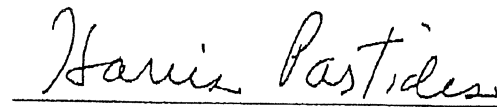

Senior Vice President for Quality,
Medical Education and Research
and Chief Academic Officer
Palmetto Health

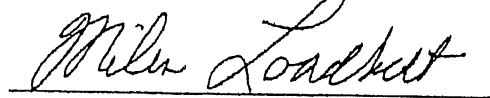

President and Chief Executive Officer
Palmetto Health


Chairman, Board of Directors
Palmetto Health

UNIVERSITY OF SOUTH CAROLINA


Vice President for Medical Affairs and Dean
University of South Carolina
School of Medicine


President
University of South Carolina


Chairman, Board of Trustees
University of South Carolina

ATTACHMENT A

ROLES, RESPONSIBILITIES, AND ACCOUNTABILITY
OF THE
DEPARTMENT CHAIR (DC)/DIRECTOR OF EDUCATION (DE)

I. SELECTION OF THE DEPARTMENT CHAIRMAN/DIRECTOR OF EDUCATION

The selection of one person to serve as the DC/DE for the programs set forth in Section 3.5 of this Affiliation Agreement shall be as follows:

- A. The Dean of the University of South Carolina School of Medicine ("Dean") and the Palmetto Health CAO will conduct a search for a Department Chairman/Director of Education "DC/DE" in compliance with University guidelines. If a search committee is appointed, its membership will be one-half (1/2) University and one-half (1/2) Palmetto Health. The Dean and the CAO will instruct the search committee as to the extent of the search, budget and job description (including period of appointment). Expenses of the search will be shared equally between the University and Palmetto Health.
- B. The Dean, in consultation with the University's Provost and President and the CAO, in consultation with Palmetto Health's President and Chief Executive Officer, will select a final candidate and negotiate salary, benefits, and other mutually agreed upon expenses.
- C. It is acknowledged by the parties that most persons being considered for the DC/DE position will insist on having a University tenured faculty position. It is anticipated by the parties, that unless otherwise agreed upon by Palmetto Health and the University, the DC/DE will be on the payroll of the University and the University will be reimbursed by Palmetto Health for fifty percent (50%) of the DC/DE's salary, benefits and other mutually agreed upon expenses of the DC/DE, excluding the medical school departmental budget which will be the responsibility of the University.

In general, the DC/DE is appointed for an initial maximum two (2) year term, which may be renewed by mutual agreement by the Dean and the CAO.

- D. If, after twelve (12) months, the parties cannot agree on one person to serve as the DC/DE, either party has the option to discontinue the joint search. Thereafter, the University, after consultation with the CAO, will be solely responsible for the selection, retention, and compensation of an

individual to serve as the Department Chairman, and Palmetto Health, after consultation with the Dean, will be solely responsible for the selection, retention, and compensation of an individual to serve as the Director of Education. Notwithstanding the above, the University agrees that its full-time faculty will continue to participate in Palmetto Health's graduate medical education program to the extent required to continue the accreditation of that program; provided, however, in their capacity as faculty for Palmetto Health's graduate medical education program the full-time faculty will be under the direction of the Director of Education selected by Palmetto Health, which Director of Education will have a University faculty appointment unless otherwise agreed to by the Dean and the CAO. Palmetto Health will continue to accept University medical students for clinical experiences at Palmetto Health as set forth in Section 3.1 of this Agreement, and authority for the education of these students will ultimately be with the University School of Medicine.

The parties agree that it is in their mutual best interest to have one person serve as the DC/DE for the medical school departments and Palmetto Health graduate medical education programs as set forth in Section 3.5 of this Affiliation Agreement. Accordingly, if for any reason, one person does not concurrently serve as the DC/DE of the programs set forth in Section 3.5, the Dean and the CAO will meet at least every six (6) months to discuss options to reestablish the DC/DE position.

- E. If the position of DC/DE becomes vacant for reasons other than as set forth in Section (IV.B) below, the Dean and the CAO will, acting in reasonable good faith, appoint an individual to serve as the Acting DC/DE and immediately implement the search for a permanent DC/DE in accordance with Section I above. If within ten (10) calendar days of a vacancy, the Dean and the CAO cannot agree on an Acting DC/DE, the Dean will appoint, and the University fully compensate, an Acting Department Chairman and the CAO will appoint, and Palmetto Health fully compensate, an Acting Director of Education. The selection of a permanent DC/DE will proceed in accordance with Section I above. Notwithstanding the above, the University agrees that its full-time faculty will continue to participate in Palmetto Health's graduate medical education program to the extent required to continue the accreditation of the program; provided, however, in their capacity as faculty for Palmetto Health's graduate medical education program the full-time faculty will be under the direction of the Acting Director of Education selected by Palmetto Health. Palmetto Health will continue to accept University medical students for clinical experiences at Palmetto Health as set forth in Section 3.1 of this Agreement and authority for the education of these students will ultimately be with the University School of Medicine.

II. ACTIVITIES AND ACCOUNTABILITY

The DC/DE will:

- A. Attend Palmetto Health and University of South Carolina School of Medicine meetings as required by the Dean and/or the CAO.
- B. Not reassign any of his/her official duties without the written consent of the Dean and the CAO.
- C. Properly oversee, as determined by the CAO, all aspects of Palmetto Health graduate medical education programs including sub specialty fellowship programs under the direction of the CAO.
- D. Maintain full and favorable accreditation of Palmetto Health graduate medical education and specialty fellowship programs under the direction of the CAO.
- E. Be responsible and accountable for all Ambulatory Care Clinic activities conducted in conjunction with Palmetto Health graduate medical education and specialty fellowship programs under his/her direction.
- F. Properly manage personnel and fiscal matters of the appropriate University School of Medicine department and Palmetto Health's graduate medical education program to the satisfaction of the Dean and the CAO.
- G. Be responsible and accountable for his/her department's adherence to the University School of Medicine-Palmetto Health Billing Compliance Plan as set forth in Section 11 of this Agreement.
- H. Properly supervise medical student experience to the satisfaction of the Dean (at all sites) and to the CAO (where educational issues overlap with Palmetto Health's Graduate Medical Education (GME) programs.
- I. Be accountable for activities and expectations outlined in the University School of Medicine missions and goals.

III. EVALUATION

- A. Annually, the DC/DE will be evaluated in writing by the Dean and CAO, based on mutually acceptable criteria and goals. Periodic oral evaluation(s) will be performed at the discretion of the CAO and Dean.

- B. At least every 6 months, the Dean and CAO will meet with each DC/DE to evaluate his/her goals.

IV. DISMISSAL OF THE DEPARTMENT CHAIRMAN/DIRECTOR OF EDUCATION

- A. The DC/DE may be dismissed at any time upon the mutual concurrence of the Dean and the CAO.
- B. If a dismissal is recommended by either the Dean or the CAO and they cannot agree on the recommendation within ten (10) working days, the issue will be presented to the appropriate Palmetto Health and University administrative personnel, to include Palmetto Health's President and Chief Executive Officer and the University's President, and others as determined by the respective institution, for their consideration.

If within ten (10) working days after notification the above-referenced administrative personnel cannot agree on a resolution of the issue, the DC/DE in question will immediately cease his/her functions and responsibilities with respect to the dual appointment as DC/DE. Thereafter, the University, after consultation with the CAO, will be solely responsible for the selection, retention, and compensation of an individual to serve as the Department Chairman, and Palmetto Health, after consultation with the Dean, will be solely responsible for the selection, retention, and compensation of an individual to serve as the Director of Education. Notwithstanding the above, the University agrees that its full-time faculty will continue to participate in Palmetto Health's graduate medical education program to the extent required to continue the accreditation of that program; provided, however, in their capacity as faculty for Palmetto Health's graduate medical education program the full-time faculty will be under the direction of the Director of Education, selected by Palmetto Health, which Director of Education will have a University faculty appointment unless otherwise agree to by the Dean and the CAO. Palmetto Health will continue to accept University medical students for clinical experiences at Palmetto Health as set forth in Section 3.1 of this Agreement, and authority for the education of these students will ultimately be with the University School of Medicine.

- C. If faculty are jointly recruited after the effective date of this Agreement and funded as DC/DE by Palmetto Health and the University into tenured positions within the University and subsequently are removed from or requested to resign their positions but retain their tenured faculty appointments, Palmetto Health and the University will share the cost of funding their base salaries and fringe benefits at the proportions in place prior to their removal or resignation from the position, up to the date on which the faculty member would have been in the position two (2) years.